



# 2010 SESSION WRAP

To the citizens of the 47<sup>th</sup> Legislative District

## STATE REPRESENTATIVE GEOFF SIMPSON



### Can government create jobs?

There's a lot of philosophical disagreement about whether government can create jobs. Some people say that the only thing government can do is to create the environment in which the private sector produces jobs. I disagree.

But if you're the person who is out of work and unable to find suitable employment, you don't have the time or patience for philosophy – you just want to get back to work, save your home and protect your family.

Since the global economy first began to weaken in 2007, I've heard from far too many people in our community that have lost their job and can't find a new one. Many more families are worried that they'll lose their job, their family's health coverage or their home.

What has your state government done in Olympia done to try to address these concerns? That's what this newsletter is about.

Thank you for taking the time to read it, and thank you for the privilege of serving as your representative to the Legislature -- it is an honor.

Sincerely,

Rep. Geoff Simpson,  
Covington  
47th Legislative District

### Keeping In Touch

**Rep. Geoff Simpson**

PO Box 40600  
Olympia, WA 98504-0600

[simpson.geoff@leg.wa.gov](mailto:simpson.geoff@leg.wa.gov)  
<http://hdc.leg.wa.gov/members/simpson/>

**Toll-free:**

800-562-6000

**Hearing impaired:**

800-635-9993

**Office:**

360-786-7918



# THE CHOICES WE FACE, THE JOBS ACT & CREATING JOBS

STATE REP. **GEOFF SIMPSON**

## THE CHOICE WE FACE



Any credible economist will tell you that greed running amok inside a lax regulatory environment caused the global economic meltdown. Yet incredibly, there are still politicians saying we need fewer regulations. "Just trust the market to solve our problems" is as common a phrase in Olympia as it is on Wall Street and in Washington DC.

There's nothing wrong with corporate profit-seeking. Our system of capitalism has served us pretty well for the past 200 plus years. But how many times do the American taxpayers have to get stuck with the bill for Wall Street CEOs' greed before we rein in their abusive practices?

These same politicians who cheer for more relaxed regulations at the request of their corporate masters try to sell us on the idea that cheap labor is another necessary component of a healthy business environment.

"Washington's minimum wage is too high," they say. But is \$17,784 a year *really* too much to pay someone for working 40 hours a week year-round?

We all hear comments from some politicians who say that Boeing workers should take a pay cut or make other concessions to keep the company here. That's wrong. There are a lot of great reasons for Boeing to build airplanes here in Washington where we have the best aerospace workers in the world.

Did you know that Boeing's tax rate was just 3.2 percent averaged over the last 4 years? Boeing's three-year effective tax rate from 2001-2003 was negative 18.8%. And Washington's taxpayers have invested billions more in infrastructure and workforce training to benefit the Boeing Company. Yet Boeing's high-priced lobbyists are lined up in Olympia wearing their Armani suits every year with their hands out for more, full of threats that they'll take jobs elsewhere if the legislature and Governor don't obey their demands.

Last year, the Washington legislature gave businesses (including Boeing) millions in unemployment insurance tax cuts – and still Boeing announced its decision to build some airplanes in South Carolina. Will Big Corporations and their CEOs ever be satisfied with their taxes or the regulatory structure in Washington? I don't think so. Not because there's anything wrong with Washington – most experts agree that Washington is a great place for business - but because Big Corporations are only interested in one thing: Maximizing profits. I don't blame them. It's what they exist to do.

Workers and their families don't matter to Big Corporations. Health and safety doesn't matter to them. Clean air and water doesn't either. If they could find the skilled workers in Cambodia to build airplanes where there are no regulations or worker protections and the minimum wage is \$50 a month, they would do it. Because profit is king.

I don't think we should engage in a race to the bottom to create more low-wage jobs. We can do better than that.

## THE JOB ACT

I can't use this space to tell you how to vote on the Jobs Act of 2010, a referendum which will be on the ballot this November.

I can tell you that we did an experimental version of this last year for public schools and a small version of it in our state's construction budget this year.



Here are some facts about the idea, which hold true regardless of how big or small you do it.

- Construction workers were hit hardest by this recession -- in some parts of our state, unemployment for construction workers is close to 50 percent.
- This idea creates jobs immediately after it goes into effect and pays for them with the energy savings we get over time from retrofitting old schools. When you replace leaky windows and bad furnaces, taxpayers save money on the power bill.



- Instead of reforms that hope to create jobs somewhere in our state, this idea creates jobs directly in every corner of our state. The experimental version we did last year funded projects at school districts all over Washington, with \$17

million of state money leveraging \$43 million total to create 1,200 jobs.

- These are private-sector jobs. We hire local contractors to do the work.
- FDR used this approach to create jobs during the Great Depression, and the things people built then -- the parks and airports, the bridges and dams -- still stand today. Deception Pass State Park is an example.
- Republican Governor Dan Evans did it in the last great recession, in 1972. He championed putting about 2 billion in today's dollars on the ballot. The voters said yes and thousands of jobs were created building schools, sewer plants, water systems and parks.



- Voters will decide whether to approve \$600 million in bonds to create 30,000 construction jobs. That's enough to retrofit every school in the state to be as energy efficient as possible, saving taxpayers \$150 million a year in power bills.

President Barack Obama said, "Our homes and our offices consume almost 40 percent of the energy we use and contribute almost 40 percent of the carbon pollution that we produce. The simple act of retrofitting these [old] buildings to make them more energy efficient ... is one of the fastest, easiest and cheapest things we can do to put Americans back to work while saving families money."

## CREATING JOBS



Last session when the worst of the credit crunch was in effect, a huge construction project at SeaTac airport – the Consolidated Rental Car Facility – ground to a halt because loans weren't available. I responded by sponsoring and passing a law that got the construction restarted by allowing the Port to issue bonds paid back by the private rental car facilities (SHB 2214). **Jobs Created: 3,000**

I sponsored legislation that didn't pass in 2009 to begin to eliminate gill nets in our rivers. I plan to keep this as a priority. There are selective fishing methods that will allow commercial fishers and tribes to harvest hatchery fish while letting the wild stock return to spawn. Selective fishing and the restoration of salmon runs will create thousands of new jobs in the sports fishing and marine industry (HB 2266). **Jobs Created: 0 (so far)**

The JOBS Act of 2010 creates construction jobs all over the state while repairing public schools and universities and making them more energy-efficient, and save taxpayers \$150 million a year in energy costs. (HB 2561) **Jobs Created: 30,000**

Funding rural county investment projects to bring jobs to areas suffering high unemployment. (HB 3014) **Jobs Created: 394**

Through the Washington Works Housing Act, we're investing a billion dollars in an innovative new program to build affordable housing so workers can find a home near their job. (HB 2753) **Jobs Created: 8,000**

Incentivizing the construction of the next generation of data centers, especially in economically challenged areas of the state. (HB 3147 & SB 6789) **Jobs Created: 3,000**

Investing in road and transit projects, the Supplemental Transportation Budget creates 3,000 construction jobs across the state (with many thousands more in the underlying biennial budget). (HB 1313) **Jobs Created: 3,000**

Providing tax relief to the aluminum industry through 2017 (HB 2672 – Included in the Supplemental Operating Budget) **Jobs Created: 500**

Helping local governments finance infrastructure improvements in Richland, Lacey, Puyallup, Renton, Bothell, and Spokane. (HB 2985 & SB 6609) **Jobs Created: 13,000**

**TOTAL JOBS CREATED: 60,894**





Please  
place  
stamp  
here



**State Representative Geoff Simpson**  
P.O. Box 40600  
Olympia, WA 98504-0600

WHAT SHOULD BE MY NEXT POLICY PRIORITY?

- ☐ More job creation
- ☐ Banking and financial reform
- ☐ Progressive tax reform
- ☐ Congestion relief and transit
- ☐ Stronger worker protections
- ☐ More education funding
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_

SHARE YOUR THOUGHTS

OPTIONAL INFORMATION

Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone: \_\_\_\_\_

E-mail address: \_\_\_\_\_



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2010  
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To the citizens  
of the  
47<sup>th</sup> Legislative  
District

State Representative Geoff Simpson  
P.O. Box 40600  
Olympia, WA 98504-0600